

# **Meeting Minutes, August 24, 2005**

## **City Center Advisory Commission**

**CCAC Members Present:** Jim Andrews, Carolyn Barkley, Gretchen Buehner, Suzanne Gallagher, Alexander Craghead (Alternate), Alice Ellis Gaut, Marland Henderson, Lily Lilly, Mike Marr, Judy Munro, Roger Potthoff, Carl Switzer, Mike Stevenson

**CCAC Member Absent:** Ralf Hughes (Alternate)

**Staff Present:** Duane Roberts, Barbara Shields

### **1. Welcome and Introductions**

Chair Mike Marr called the meeting to order at 6:35 p.m. He asked everyone in the room to introduce him- or her-self. Self introductions by everyone present, including audience members, followed.

### **2. Approval of Minutes**

The minutes of the August 3, 2005, were approved as submitted.

### **3. Draft Public Involvement Plan**

Margaret Norton-Arnold of Norton-Arnold Company introduced this topic. She informed the group that she had received written comments on the outreach plan outline from three Commission members and had incorporated these comments into the draft public involvement plan. She introduced Carol Ambruso of Gilmore Research, who proceeded to give a detailed overview of the results of the telephone survey. She began her presentation by pointing out that the overall results were positive. The objectives of the survey were to gauge voter desire and support for improving the downtown, gauge understanding and support for using tax increment financing (TIF), identify the types of improvement projects residents want and will support, and to identify projects in the downtown plan that increase or decrease support for TIF. Some 400 telephone surveys were conducted. The margin of error was plus or minus 5%. The residents surveyed represented motivated voters, not all voters. All had voted in each of the last two elections.

Carol pointed out that the responses are based on the respondents' present understanding of TIF and that this could change over time. The survey provides a good indication of voter's current attitudes, but cannot predict future voter behavior "exactly". The findings do not take into account competing ballot measures or organized opposition.

Carol went into some detail regarding the survey results. A majority visit downtown at least once a week. Two-thirds are informed about Tigard issues. Some 69% are aware of the downtown plan. These numbers are indicative of the effectiveness of the

Downtown Task Force's public involvement efforts. A large majority of survey participants support projects that preserve greenspaces in downtown, agree that "improving downtown will be good for the whole community", concur that "it is important for Tigard to have its own identity", and agree that "investing in downtown will help attract businesses . . ."

Some 31% and 36%, respectively, of those surveyed "support" or "somewhat support" the use of TIF. Many had questions about TIF. Carol described several of these. The major concern is that TIF would take money from other programs and services. These concerns need to be addressed down the road. In general, the higher the level of awareness of downtown improvement efforts, the higher the level of support for TIF.

Roger asked how downtown was defined in the survey. Carol responded that it was described as the area bounded on three sides by Hall Boulevard, HWY 99W, and Fanno Creek.

Regarding the effect of specific projects on support for TIF, Carol explained that street improvements, a town square, a water feature, more local shopping, and a performing arts center all contribute to increased support for the use of TIF. On the other hand, support for business and housing mixed use development is low.

Those who somewhat support TIF are swing voters. They need to be told why it is important to support TIF, or are likely to be lost. "What does all this mean?" Voters need to be reassured that TIF will not raise taxes and to be convinced the downtown area is more important than other areas and projects.

Mike Marr commented that the reference to downplaying mixed use refers to the housing part of the downtown plan. Voters are "not as excited" about promoting new housing in the downtown area as they are about other features of the downtown plan. Suzanne commented that this may be because the survey respondents "may not know what it means." Margaret noted that the survey question regarding housing could have been interpreted by some to mean that "the government is going to build apartments." Carol pointed out that it is hard to read what is in the mind of survey respondents. Those surveyed support mixed use, but when mixed use is "linked to paying for it, support drops."

Mike Marr commented that the downtown plan is based on the investment of private dollars, not government dollars, to support private development. Jeff pointed out that public dollars could be used to support private development. This could take the form of low interest loans for rehabilitation or technical assistance. Further, the Downtown Improvement Plan talks about assisting with site assembly. He went on to comment that the message he is getting from both the survey results and the CCAC is that "amenities, not new development, is what people like."

Carol commented that housing is needed to help the downtown succeed. Referencing the high level of homeownership among respondents, Suzanne commented that what

this result suggests to her is that “homeowners are not worried about or need housing” themselves. Gretchen commented that the phrase “mix of housing” used in the survey suggests low income housing.

Margaret stated that she was pleasantly surprised by the overall survey results. There is a strong base of support for downtown revitalization efforts. The upcoming UR election is not as uphill as it could be. Outreach messages need to “reinforce the themes highlighted in the survey.”

Roger mentioned that he is concerned about the “rather optimistic” talk about using public “seed improvements” to foster private investment. Private investment is dictated by the demands of the market. Housing and small shops, opposed by the survey respondents, are the very things that will drive private investment. The recreation center and other public projects are less likely to stimulate this investment.

Margaret commented that the drivers of the plan are the combination of catalyst projects as opposed to one catalyst project by itself. Jeff mentioned that what pays for the public improvements identified in the plan is private development.

Carl commented that the optimism about the survey results should be put into context. He noted that the recent City park survey included a “58-32% split on the best questions.” The UR survey results are higher in comparison.

Mike Marr stated that he appreciated Roger’s concerns. At the same time, developers who participated in the downtown plan “reality check” forum indicated that they could “work with the downtown concept.” The forum results provide the best information available on the private sector’s evaluation of the downtown plan. Based on this information, Mike commented that he is not as concerned about the question of whether or not the plan is realistic.

Roger commented that the “candor of the community on this issue” is needed. It is important to get more information out to the public. The image that mixed use brings to his mind is that of the Tualatin Commons’ integration of shops and housing. The UR plan should be presented in the context of what other communities are doing. The public needs to understand the vision for the downtown.

Margaret commented on City staff’s role in an election campaign. When the ballot measure is placed on the ballot, City staff needs to back away. Staff are prohibited by Oregon campaign laws from advocating or lobbying. The Commission needs to take over the effort “to present the UR plan to the public.”

Mike commented that when UR becomes a ballot measure, restrictions on appointees, such as City-paid consultants, are the same as those on staff. Margaret stated that the campaign should be completely separate from advisory commission and staff activities. Jeff noted that public money supports the CCAC. Therefore, the CCAC as

a group cannot take a position on the ballot measure. Jim Andrews commented that the CCAC is not allowed to speak as a commission during the election campaign.

Margaret noted that the UR plan is a reflection of the Downtown Improvement Plan. The Streetscape Plan will reflect community design preferences. These three projects create a strong synergy and momentum. As an example, the Streetscape effort could be used as a “tangible, concrete example of what UR means.”

Suzanne asked when the Streetscape Plan will be completed. Barbara responded that the completion date is just before the vote. Jim asked if the Streetscape Plan would include an outreach component. Barbara responded that it would.

Jeff commented that the UR plan should “get all the benefits” of the buzz or publicity surrounding the adoption process for the Downtown Improvement Plan. He clarified that it is not true to say that, because it is based on the downtown plan, the UR plan cannot be tweaked. The public can still influence the UR plan. The match-up between the two plans will not be 100%. The Planning Commission and Council adoption processes will provide opportunities for the public to tweak the UR plan. The outreach effort should focus on making “people more aware of these meetings.” The CCAC should not suggest to the public that there will not be any changes.”

Margaret went into some detail regarding the Outreach Plan’s recommended outreach strategies, including key messages that should be repeated, such as downtown revitalization’s role in helping to give the City a heart.

Carl mentioned that the general idea of shifting financial resources from other areas or activities may scare people. It is important to emphasize that the affected tax districts would not receive less funding. They would just not receive for a limited time the additional revenues generated by UR.

Mike Marr commented that “we should not leave open ended” the question of the dollar amount foregone by the affected tax districts. This is a relatively small amount. Jeff noted that this information would have to be provided in the report. In the case of the County and school districts, the amount involved will be tiny, because the school districts are so big. Margaret stated that “we should also mention that the state picks up the “school deficit.” Mike Marr commented that “we should be careful on the wording.” Gretchen mentioned that school funding comes from across the state and that the impact of TIF would be infinitesimal. Mike Marr pointed out that “infinitesimal is different than not at all.”

Gretchen requested hard numbers on the impact of TIF on the school district and other affected tax districts. Carolyn commented that “people want answers now”. Jeff responded that he would produce a document to provide guidance to the commission in this area. It would not be a public document.

Margaret commented that the completion and publication of the draft UR plan will provide “an opportunity to get input from the public.” She touched on the list of ten outreach strategies included in the outreach plan. Mike Marr commented that strategy #5, *Insertion in the High School Curriculum*, would be more appropriate as a Future Business Leaders Club activity than as a classroom activity. Roger agreed with Mike that Strategy #5 is not a curriculum-base suggestion. Roger looks at it as an “assembly project”, where students pick sides, pro and con. Strategy #5 should be viewed in a “limited duration public affairs context”.

Margaret touched on the “storefront strategy” (#7), described in the outreach plan as making tables “available in the Tigard Sub Shop on Main for public questions and discussions for two or three afternoons on weekdays.” Mike Marr volunteered to help staff the tables. He also volunteered to approach Crown Carpets regarding the placement of one of the proposed window displays depicting the Downtown Improvement and Urban Renewal Plans. Carolyn brought up Washington Square as a good site for a storefront location. Marland noted that the new Washington Square manager is “enthusiastic” about the downtown plan. Alice mentioned Bridgeport as another possible storefront location. Suzanne mentioned homeowner’s association presidents as important contacts. Margaret added churches and civic clubs as others.

To the list of public events included in Strategy #8, *Inclusion in Major Public Events*, Gretchen suggested the addition of the annual City Tree Lighting Ceremony and other holiday events.

Mike Marr commented that the “heavy portion of work” in carrying out the public outreach strategies will fall on the shoulders of the CCAC and Downtown Task Force. City staff will be limited as to how much they can do. This is due to the legal restrictions on advocacy and on the limited number of hours they have available to devote to outreach.

#### **4. Refine UR Area Boundaries**

Jeff called attention to three display boards and gave background information on the pros and cons of including each of three areas in the UR district that were not included in the downtown planning area. The three areas under consideration include (1) the SE industrial area bounded by Hall/Hunziker/Wall and Fanno Creek, (2) the rail corridor and some adjacent areas extending to and including Tiedeman and the North Dakota intersection, and (3) the so called Safeway intersection at Hall and HWY 99W. The combined size of all three new areas is 270 acres. The combined real market value of the three is some \$76 million. The overall improvement to land ratio is a low 1.16. This indicates a low level of development and also that the land is more valuable than the improvements. The improvement to land ratio is a common yardstick for determining whether land is re-developable. The 1.16 ratio is “the same as no development.” Land to improvement ratios of 7 to 8 times improvement over land value are common. Within the areas, some properties are more highly

developed than others. Jeff concluded by asking the Commission for direction regarding the “right” boundaries of the UR area.

Mike Marr commented that it is important to include the rail corridor to Tiedeman/North Dakota. Jim mentioned that the goal of adding this area is the possibility of trading the elimination of a rail crossing there for the addition of the rail crossing needed to connect the two discontinuous sections of Ash Street within the downtown. Carol emphasized the need for “clarifying the reasons for including” each new area.

Jeff pointed out that there will not be enough urban renewal funds to pay for all the street realignments. Adding new areas will help pay for these.

Jeff commented that the area upon which that the Commission has shown the least consensus is the SE industrial area. He described the area as having “a lot of land ripe for redevelopment.” The downtown currently includes many industrial uses. “The hope” expressed in the Downtown Improvement Plan is to transition these industrial uses to business uses. Investing in a business park will provide a suitable and nearby area for the downtown industries to relocate. On the other hand, no one considers the SE industrial area to be a part of downtown. Also important is that there has been no outreach to the area’s landowners.

Considerable discussion followed. Alexander noted that this is an older industrial area that contains areas of contamination. Jeff noted that another argument against adding the areas is that the abandonment of the Wall Street Extension project “affects the viability of the area.” The compelling reason for considering the SE industrial area is that its addition will help the downtown industries that choose to relocate out of the downtown.

Mike Marr stated that he is open to the consideration of new areas, but doesn’t wish to risk “upsetting the apple cart by changing the boundary.” He doesn’t see the “need to go beyond properties fronting Hall.” His focus is on the improvement of downtown. Getting too greedy and including more land within the boundary, “may put the vote in jeopardy.”

Judy commented that expanding the boundary to include the industrial area in question is a “slick way to offer other opportunities.” She compared redeveloping the new area to converting a closed military base to other uses. She supports adding the area provided “it doesn’t upset the applecart” in terms of public support for the UR plan.

Lily Lilly noted that she lives on Knoll Drive and is very familiar with the area under discussion. She called it a “pocket of opportunity.” She agreed with Mike Marr’s comments. “Adding three areas may be too much.” The Commission should focus on the long range implications of adding the proposed new areas.

Suzanne stated that some of the most beautiful areas in Portland are light industrial. Marland asked “how do you decide how much leverage” you gain in the long term by

adding areas? All three areas under discussion are underdeveloped and include good redevelopment opportunities.

Mike Stevenson commented that Area 3 may redevelop on its own. The region is facing a shortage of industrial land. Market conditions may result in the redevelopment of this area.

Mike Marr asked whether “including extra places” will affect citizen support for the UR plan. If you start adding areas, where do you stop? There are a lot of underutilized properties in the City. He is concerned that adding new areas will result in a loss of “positive focus.”

Jim commented that the issue is whether the additions make the plan better. Do they help the downtown plan, or improve its chances of succeeding.

Jeff pointed out that housing and employment will get the most value from commuter rail. This is because people use transit for work trips, but not for shopping.

Alice commented that, given the commercial character of the HWY 99W/Hall intersection, this would be the place to bring in large dollars in the early years of UR. The Safeway corner generates the most interest in the community. Everyone would like to see that intersection changed.

Roger asked how the economic viability of the UR area would be affected by development occurring outside the UR district. The question to ask regarding the expansion of the district boundaries is whether downtown redevelopment is enhanced or hindered by a particular addition.

Jeff commented on the big differential between the present value of the proposed new properties and their potential value after development and redevelopment. The areas will generate more customers and generally contribute to a higher level of economic activity within the UR area in general. The downtown will derive tangible benefits from including the new areas.

Judy stated that she is “middle of the road” regarding the proposed additions. On the one hand, she “doesn’t want to miss an opportunity.” The new areas could be “used as catalyst projects to get the ball rolling.” On the other hand, she would like to be given the flexibility to make balanced choices between potential additions.

Gretchen commented that she is concerned about the need for major infrastructure improvements within the new areas. These are costly. Voters may question how the dollars are used.

Mike Marr called for votes on particular additions. By a vote of 5 to 4, the Commission supported adding the SE industrial area, as depicted on the display map, in its entirety. Mike commented that the Commission’s decision was advisory to Council and subject

to further discussion and consideration at the Council level. Carolyn agreed that the recommendation was advisory, but that in the past the downtown area boundaries “had not been discussed enough” by the Downtown Task Force. It was always suggested that “we would talk about it later.”

Jeff pointed out that the Commission’s recommendations are advisory, but that Council likely would “put a lot of weight” on the Commission’s advice. He went on to discuss the Hall/HWY 99W quadrant, also known as the “Safeway” property. This was referred to at last meeting as the “100% corner.” It is a prime intersection with values way below potential value. This is a “powerful economic argument” to include this area. Another is that it “seems like downtown to people.” He pointed out that this area, as shown on the display map, includes all of Center Street.

Carl commented that it is “absolutely essential” to include this area. The northwest side is of primary concern, because of the potential for a future transportation connection to the downtown from over or under HWY 99W. Gretchen agreed that it was a “no brainer” to include this area.

Alexander asked why Park 217 is included as part of the Safeway corner; it is so highly developed already. Mike Marr commented that everyone appears to support Park 217’s removal. Lily commented that it was “odd” to include only three corners in the definition of this area. She recommended using Garden Place as the area’s SE boundary.

Mike Marr commented that the Safeway corner is worthy of consideration, but that the owners had never been approached or talked to during the downtown planning process. Suzanne recommended that the gas station property be included in the new area. Alexander commented that the Garden Place provides a clearer boundary.

Carl wondered whether adding land would influence how people might vote in an UR election. If so, such voters would have “missed the point of the work. This will be one shiny, happy place.” In the big picture, a larger area “shouldn’t compel people to vote against UR.”

Mike Marr cautioned that landowners who have not been contacted or spoken with before could be the ones to provide “funding for significant opposition” to the UR ballot measure. Gretchen commented that the UR plan “will have opposition anyway.”

Mike Marr commented that most of the owners of land within the expanded boundaries have not been included in past outreach efforts. “We shouldn’t look for a fight, if we don’t have to.” Mike Stevenson pointed to the significant discussions with owners that occurred regarding the design of the proposed Burnham Road improvements. Adding a new area larger than the presently understood downtown could lead to similar friction. Additionally, the downtown plan includes no projects in the proposed new areas.



Carolyn stated that the *Downtown Improvement Plan* is “not cast in stone.” Roger commented that it is risky not to include the HWY 99W corner. The success of the UR plan “depends on private investment.” There is no guarantee that private investment will be made in the UR area versus outside the area. If the corner area is not included within the district boundary, the downtown could become a secondary site to the corner area. A situation of the “old town versus the 100% site” could develop.

An audience member commented that “investors look where they can get the best return on the dollar.” Downtown is not thought of as downtown. No one considers Hall and HWY 99W as part of downtown.

Alice commented that HWY 99W is the main access to the downtown area. Not including the area could result in market forces undermining the UR plan. The CCAC could approach the business owners within the area and start doing outreach now. Suzanne speculated that if they were included, the owners would “jump for joy.”

Jeff commented that the UR plan’s benefits are lessened by the plan “not being an aggressive site assembly plan.” It doesn’t contemplate kicking people out. The UR plan is a more of an investment plan, as opposed to a site assembly plan.

Mike Marr commented that the CCAC was making “radical decisions.” He called for a vote on adding various sub-areas within the corner site area. The majority voted to add everything depicted on the display map, except Park 217.

Jeff commented that he would do a lot of work between now and the next meeting on the implications of adding the new areas. This information would be useful should the CCAC have “buyer’s remorse” between now and then. He also commented that the CCAC needs to “get into projects and programs” next meeting. This includes all the catalyst projects included in the *Downtown Improvement Plan*.

## **5. Draft UR Goals and Objectives**

Jeff informed the Group that no further discussion of this topic was needed, as consensus had been reached on the UR plan’s goals and objectives at the CCAC’s last meeting.

## **6. Draft Urban Renewal Projects**

Jeff touched on the “Draft Projects List” memo included in the meeting packet. He defined Street Improvements as improvements between curbs. “Streetscape” improvements are improvements from the curb to the property line. Bike/pedestrian improvements are on- or off-street projects. Public spaces are the plazas and urban greenspaces identified in the *Downtown Improvement Plan*. Discussion of the list followed.

Marland commented that there is more to a farmers' market than space. Mike Marr suggested the addition of public restrooms to the "Public Facilities" project list. Millennium Park in Lake Oswego is an example of a high quality space that includes restrooms. Judy pointed out that the relocated of the post office should be added to the Public Facilities list. After discussion, the realignment of Tiedeman and North Dakota was added to the Street Improvements list.

Hunziker was added as a Streetscape Improvement. Greenburg was added to the Bike/Pedestrian Facilities list. The term 'green corridor' was replaced by "urban creek amenity".

Gretchen asked the consultants to provide information on the state school funding formula and on the property tax revenues that would not be collected by schools as a result of the use of TIF statewide. Jeff promised to provide this information.

## **7. Other Business/Announcements/Next Agenda**

Jeff informed the group that the next meeting will deal with land acquisition and site assembly.

Mike Marr adjourned the meeting at 8:45 p.m...